

Sean P. Connell, Esq.
Nevada Bar Number 7311
Muehlbauer Law Office, Ltd.
7915 West Sahara Ave., Suite 104
Las Vegas, Nevada 89117
Tel.: 702.330.4505
Fax: 702.825.0141
sean@mlolegal.com

Nicholas Porritt, Esq. (*pro hac to be submitted*)
Adam Apton, Esq. (*pro hac to be submitted*)
LEVI & KORSINSKY LLP
1101 30th Street NW, Suite 115
Washington, D.C. 20007
Telephone: (202) 524-4290
nporritt@zlk.com
aapton@zlk.com

Attorneys for Plaintiff

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

OUSSAMA ATTIGUI, INDIVIDUALLY
AND ON BEHALF OF THOSE SIMILARLY
SITUATED,

Plaintiff,

vs.

TAHOE RESOURCES INC., ELIZABETH
MCGREGOR, MARK SADLER, RONALD
W. CLAYTON, and C. KEVIN MCARTHUR,

Defendants,

CASE NO. 2:17-cv-1868

**COMPLAINT FOR VIOLATIONS OF
THE FEDERAL SECURITIES LAWS**

CIVIL ACTION

JURY TRIAL DEMANDED

CLASS ACTION COMPLAINT

1. Plaintiff Oussama Attigui ("Plaintiff"), by his attorneys, except for his own acts,
which are based on knowledge, alleges the following based upon the investigation of counsel,

1 which included a review of United States Securities and Exchange Commission (“SEC”) filings
2 by Tahoe Resources Inc. (“Tahoe” or the “Company”), as well as regulatory filings and reports,
3 securities analyst reports and advisories by the Company, press releases and other public
4 statements issued by the Company, and media reports about the Company. Plaintiff believes that
5 additional evidentiary support will exist for the allegations set forth herein after a reasonable
6 opportunity for discovery.

7 **NATURE OF THE ACTION**

8 2. This a federal securities class action on behalf of all investors who purchased or
9 otherwise acquired Tahoe common stock between April 3, 2013 and July 5, 2017, inclusive (the
10 “Class Period”), seeking remedies under the Securities Exchange Act of 1934 (the “Exchange
11 Act”).

12 3. Tahoe operates multiple mines to develop precious metals assets in America.

13 4. On June 8, 2010, upon successful completion of its initial public offering, Tahoe
14 acquired the Escobal mine assets located in Guatemala through its wholly-owned subsidiary
15 Minera San Rafael, S.A. (“MRM”), a Guatemala corporation.

16 5. Tahoe made materially false and/or misleading statements, misrepresenting its
17 Escobal mine assets exploitation license from the Guatemala’s Ministry of Energy and Mines
18 (“MEM”).

19 6. As the truth was fully revealed to investors, the stock price declined from a close
20 of \$8.27 per share of Tahoe stock on July 5, 2017, to a close of \$5.56 per share on July 6, 2017, *a*
21 *drop of approximately 33%.*

1 7. As a result of the fraudulent conduct alleged herein, Plaintiff and other members
2 of the Class purchased Tahoe securities at artificially inflated prices and suffered significant
3 losses and damages once the truth emerged.

4 **JURISDICTION AND VENUE**

5 8. The federal law claims asserted herein arise under and pursuant to Sections 10(b)
6 and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated
7 thereunder by the SEC (17 C.F.R. § 240.10b-5).

8 9. This Court has jurisdiction over the subject matter of this action pursuant to
9 28 U.S.C. § 1331, Section 27 of the Securities Act (15 U.S.C. §78aa.). This Court has
10 jurisdiction over each Defendant named herein because each Defendant is an individual who has
11 sufficient minimum contacts with this District so as to render the exercise of jurisdiction by the
12 District Court permissible under traditional notions of fair play and substantial justice.

13 10. Venue is proper in this District pursuant to Section 27 of the Exchange Act, and
14 28 U.S.C. § 1391(b) because certain of the acts alleged herein, including the preparation and
15 dissemination of material false and/or misleading information, occurred in this District

16 **THE PARTIES**

17 11. Plaintiff purchased Tahoe common stock within the Class Period and, as a result,
18 was damaged thereby. Plaintiff's certification evidencing his transactions is attached hereto as
19 Exhibit A.

20 12. Defendant Tahoe is incorporated in British Columbia, Canada, and headquartered
21 at 5310 Kietzke Lane, Suite 200 Reno, Nevada 89511. Tahoe's common stock trades on the New
22 York Stock Exchange ("NYSE") under the ticker symbol "TAHO."

1 13. Defendant C. Kevin McArthur (“McArthur”) was the Company’s Chief Executive
2 Officer (“CEO”) and Director from the beginning of the Class Period until August 9, 2016.

3 14. Defendant Ronald W. Clayton (“Clayton”) was the Company’s CEO from August
4 9, 2016 until the end of the Class Period.

5 15. Defendant Mark Sadler (“Sadler”) was the Company’s Chief Financial Officer
6 (“CFO”) from the beginning of the Class Period until August 9, 2016.

7 16. Defendant Elizabeth McGregor (“McGregor”) was the Company’s CFO from
8 August 9, 2016 until the end of the Class Period.

9 17. Defendants in paragraphs 13-17 are collectively referred to herein as the
10 “Individual Defendants.”

11 18. Each of the Individual Defendants:

- 12 (a) directly participated in the management of the Company;
- 13 (b) was directly involved in the day-to-day operations of the Company at the
14 highest levels;
- 15 (c) was directly or indirectly involved in drafting, producing, reviewing
16 and/or disseminating the false and misleading statements and information
17 alleged herein;
- 18 (d) was directly or indirectly involved in the oversight or implementation of
19 the Company’s internal controls;
- 20 (e) was aware of or deliberately recklessly disregarded the fact that the false
21 and misleading statements were being issued concerning the Company;
22 and/or
- 23 (f) approved or ratified these statements in violation of the federal securities
24

1 laws.

2 19. Because of the Individual Defendants' positions within the Company, they had
3 access to undisclosed information about Tahoe's business, operations, operational trends,
4 financial statements, markets and present and future business prospects via access to internal
5 corporate documents (including the Company's operating plans, budgets and forecasts and
6 reports of actual operations and performance), conversations and connections with other
7 corporate officers and employees, attendance at management and Board meetings and
8 committees thereof and via reports and other information provided to them in connection
9 therewith.

10 20. As officers of a publicly-held company whose securities were, and are, registered
11 with the SEC pursuant to the federal securities laws of the United States, the Individual
12 Defendants each had a duty to disseminate prompt, accurate and truthful information with
13 respect to the Company's financial condition and performance, growth, operations, financial
14 statements, business, markets, management, earnings and present and future business prospects,
15 and to correct any previously-issued statements that had become materially misleading or untrue,
16 so that the market price of the Company's publicly-traded securities would be based upon
17 truthful and accurate information. The Individual Defendants' misrepresentations and omissions
18 during the Class Period violated these specific requirements and obligations.

19 21. The Individual Defendants, because of their positions with the Company,
20 possessed the power and authority to control the contents of Tahoe's reports to the SEC, press
21 releases, and presentations to securities analysts, money and portfolio managers, and institutional
22 investors, *i.e.*, the market. Each Individual Defendant was provided with copies of the
23 Company's reports and press releases alleged herein to be misleading prior to, or shortly after,
24

1 their issuance and had the ability and opportunity to prevent their issuance or cause them to be
 2 corrected. Because of their positions and access to material non-public information available to
 3 them, each of these defendants knew that the adverse facts specified herein had not been
 4 disclosed to, and were being concealed from, the public, and that the positive representations
 5 which were being made were then materially false and/or misleading. The Individual Defendants
 6 are liable for the false statements pleaded herein, as those statements were each “group-
 7 published” information, the result of the collective actions of the Individual Defendants.

8 22. Each of the Individual Defendants are liable as a participant in a fraudulent
 9 scheme and course of business that operated as a fraud or deceit on purchasers of Tahoe common
 10 stock by disseminating materially false and misleading statements and/or concealing material
 11 adverse facts. The scheme: (i) deceived the investing public regarding Tahoe’s business,
 12 operations, management and the intrinsic value of its securities and (ii) caused Plaintiff and other
 13 shareholders to purchase Tahoe securities at artificially inflated prices

14 **SUBSTANTIVE ALLEGATIONS**

15 **A. Company Background**

16 23. Tahoe operates multiple mines to develop precious metals assets in America.

17 24. On June 8, 2010, upon successful completion of its initial public offering, Tahoe
 18 acquired the Escobal mine assets located in Guatemala through its wholly-owned subsidiary
 19 Minera San Rafael, S.A. (“MRM”), a Guatemala corporation.

20 **B. Material Misstatements and Omissions during the Class Period**

21 25. The Class Period begins on April 3, 2013, when Tahoe issued a press release
 22 about the Escobal exploitation license from Guatemala’s Ministry of Energy and Mines (“April
 23
 24

2013 Press Release”). The Company also attached the press release to a Form 8-K Filed with the SEC (“April 2013 Form 8-K”). The press release stated in relevant part:

TAHOE’S ESCOBAL PROJECT RECEIVES FINAL PERMIT

VANCOUVER, B.C. (April 3, 2013) – **Tahoe Resources Inc.** (TSX: THO, NYSE: TAHO) *is pleased to announce that it has received the Escobal exploitation license from Guatemala’s Ministry of Energy and Mines.* Construction activities remain on-budget and on-schedule for mill commissioning in the second half of 2013 and commercial production in early 2014.

26. The news was immediately controversial. As such, on April 8, 2013, the Center for International Environmental Law published an article entitled “Mining license approved in wake of violence, investigation into murder pending” stating in relevant part:

(Washington, D.C.) – After more than two years of delay, the Guatemalan Minister of Energy and Mines (MEM) announced on Wednesday, April 3, that it had approved the exploitation license for Tahoe Resources’ Escobal mine in San Rafael Las Flores, Guatemala. *The announcement comes less than two weeks after four indigenous Xinca leaders were abducted while returning from a community referendum in El Volcancito, in which more than 99 percent of people voted against the Escobal project. One of those abducted was found dead the next day.*

* * *

More than 4,300 individuals from 43 countries have signed a letter to Guatemalan Attorney General Claudia Paz y Paz, requesting her office involve the International Commission Against Impunity in Guatemala (CICIG) to carry out a robust investigation into the attack and murder. *The letter also urges the government to protect human rights and environmental defenders as they exercise their rights to live in a safe and healthy environment and to free, prior and informed consent.*

Emphasis added.

27. However, Tahoe assured compliance with governmental law and regulations, and respect of local indigenous people.

28. On March 17, 2014, Tahoe filed an annual report on Form 40-F with the SEC announcing the Company's financial and operating results for the fiscal fourth quarter and fiscal year ended December 31, 2013 ("2013 40-F"), which was signed and certified under the Sarbanes Oxley Act of 2002 by the Individual Defendants. The Form 40-F stated in pertinent part:

Environment

We recognize that all development comes with some impacts. *We are dedicated to the highest standards of responsible environmental stewardship. We honour this commitment by meeting or exceeding local governmental regulations and operating our projects to North American standards.* See "Description of Our Business – Escobal mine – Environment" and "– Reclamation". *We have review processes in place which are designed to prevent or minimize environmental incidents or impacts, to evaluate incidents and operating practices and to create action plans and operating procedures to prevent reoccurrence.* The Board oversees the Company's environmental management through the Health, Safety, Environment and Community Committee.

In 2013, we continued to work with local communities to help them upgrade water systems and infrastructure programs. The Company also advanced its partnership with San Carlos University in Guatemala to conduct health and environmental baseline studies. We also worked with independent consultants on community needs assessments to guide further programs in the vicinity of the Escobal mine.

* * *

Governmental Laws and Regulations

Our operations, exploration and development activities are subject to the laws and regulations of Guatemala that govern various matters including environmental protection, management and use of toxic substances and explosives, management of natural resources, exploration, development, production, and post-closure reclamation of mines, imports and exports, price controls, taxation, mining royalties, labour

1 Emphasis added.

2 29. On Mars 12, 2015, Tahoe filed an annual report on Form 40-F with the SEC
3 announcing the Company's financial and operating results for the fiscal fourth quarter and fiscal
4 year ended December 31, 2014 ("2014 40-F"), which was signed and certified under the
5 Sarbanes Oxley Act of 2002 by the Individual Defendants. The Form 40-F stated in pertinent
6 part:

7 **ENVIRONMENT**

8 We recognize that all development comes with some impacts. *We*
9 *are dedicated to the highest standards of responsible*
10 *environmental stewardship. We honour this commitment by*
11 *meeting or exceeding local governmental regulations and*
12 *operating our projects to North American standards.* See
13 "Description of Our Business – Escobal mine – Environment" and
14 "– Reclamation". We have review processes in place which are
designed to prevent or minimize environmental incidents or
impacts, to evaluate incidents and operating practices and to create
action plans and operating procedures to prevent reoccurrence. The
Board oversees the Company's environmental management
through the Health, Safety, Environment and Community
Committee.

15 *In 2014, we continued to work with local communities to help*
16 *them upgrade water systems and infrastructure programs.* The
17 Company also advanced its partnership with San Carlos University
18 in Guatemala to conduct health and environmental baseline
studies. We also worked with independent consultants on
community needs assessments to guide further programs in the
vicinity of the Escobal mine.

19 * * *

20 **RECENT ACTIVITIES AT THE ESCOBAL MINE**

21 The Company achieved commercial production at the Escobal
22 mine on January 14, 2014. In 2014, the mine processed a total of
23 1.25 million tonnes of ore with average feed grades of 585 g/t Ag,
0.42 g/t Au, 0.93% Pb, and 1.43% Zn; recovering 20.3 million
24 ounces of silver, 10,893 ounces of gold, 10,359 tonnes of lead, and

13,394 tonnes of zinc in concentrate. Metal recoveries into each of the lead and zinc concentrates met or exceeded expectations.

The Escobal mine and processing facilities are operating at design capacity, with capital development and stope development and production at levels to sustain the 3,500 tpd processing rate. Mill throughput in 2014 averaged 3,413 tpd, including the first quarter ramp-up period. Now that the Escobal mine has reached operational design parameters, the Company is focused on optimizing mining and processing procedures.

In November 2014, the Company released the Escobal Feasibility Study which demonstrated the feasibility of the Escobal mine, updated the Mineral Resource Estimate, and supported the Company's initial declaration of Proven and Probable Mineral Reserves.

Emphasis added.

30. On March 25, 2016, Tahoe filed an annual report on Form 40-F with the SEC announcing the Company's financial and operating results for the fiscal fourth quarter and fiscal year ended December 31, 2015 ("2015 40-F"), which was signed and certified under the Sarbanes Oxley Act of 2002 by the Individual Defendants. The Form 40-F stated in pertinent part:

Developments Regarding Indigenous Peoples

To the best of our knowledge, although indigenous people may have inhabited the area of our Mines at one time, there are no indigenous populations currently living in the immediate area of the Escobal, La Arena or Shahuindo Mine sites. ***In 2015, MSR engaged with indigenous communities in Guatemala that expressed an interest in the Escobal Mine and during the year, more than 130 indigenous community members visited the Escobal Mine.*** In addition, indigenous peoples have participated in our Guatemalan avocado and coffee rust prevention programs and received donations of agricultural supplies and musical instruments through its social investment program. The Company also attended workshops with the Guatemalan government and other private sector organizations to promote the elimination of all forms of racial discrimination against indigenous groups.

Governmental Laws and Regulations

Our operations, exploration and development activities are subject to the laws and regulations of Guatemala and Peru that govern various matters including environmental protection, management and use of toxic substances and explosives, management of natural resources, exploration, development, production, and post-closure reclamation of mines, imports and exports, price controls, taxation, mining royalties, labour standards and occupational health and safety, including mine safety and historic and cultural preservation.

We have competent and well-trained individuals and consultants to assist us with compliance with such laws and regulations, however, even with the application of considerable skill we may inadvertently fail to comply with certain laws. Failure to comply with laws and regulations could lead to financial restatements, fines, penalties, loss, reduction or expropriation of entitlements, the imposition of additional local, foreign or governmental parties as joint venture partners with carried or other interests and other material negative impacts on us.

Emphasis added.

31. On Mars 10, 2017, Tahoe filed an annual report on Form 40-F with the SEC announcing the Company's financial and operating results for the fiscal fourth quarter and fiscal year ended December 31, 2016 ("2016 40-F"), which was signed and certified under the Sarbanes Oxley Act of 2002 by the Individual Defendants. The Form 40-F stated in pertinent part:

ENVIRONMENT AND SOCIAL ACTIVITIES

We are dedicated to the highest standards of responsible environmental stewardship. We honour this commitment by meeting or exceeding local governmental regulations and aligning our policies and practices with international guidelines. See "Description of Our Business – Escobal Mine – Environment" and

1 “– Reclamation,” “– La Arena Mine – Environment,” “–
 2 Shahuindo Mine – Closure,” “– Bell Creek Mine – Environment”
 3 and “– Timmins West Mine – Environment.” We have
 4 environmental management processes in place which are designed
 5 to prevent or minimize environmental impacts, to implement
 6 mitigation measures where appropriate, and to improve
 7 performance. *Tahoe’s Board of Directors oversees the Company’s
 8 environmental management through the Health, Safety,
 9 Environment and Community Committee and reviews site
 10 performance on a quarterly basis. Tahoe’s Sustainability
 11 Steering Committee, chaired by Tahoe’s Executive Chair, and
 12 comprised of executive management and site leaders, oversees
 13 environmental and other social matters related to each operation
 14 on a quarterly basis. Tahoe’s Health, Safety, Environment and
 15 Community Committee receives quarterly reports from the
 16 Committee in monitoring the effectiveness of health, safety,
 17 environmental, community relations and sustainability policies
 18 and programs at Tahoe operations.*

19 * * *

20 Developments Regarding Indigenous Peoples

21 To the best of our knowledge, although indigenous people may
 22 have inhabited the area of our Mines in Guatemala and Peru at one
 23 time, there are no indigenous populations currently living in the
 24 immediate area of the Escobal, La Arena or Shahuindo Mine sites.
*In 2016, MSR engaged with indigenous communities in
 Guatemala that expressed an interest in the Escobal Mine and
 during the year, more than 130 indigenous community members
 visited the Escobal Mine.* In addition, indigenous peoples have
 participated in our Guatemalan avocado and coffee rust prevention
 programs and received donations of agricultural supplies and
 musical instruments through its social investment program. The
 Company also attended workshops with the Guatemalan
 government and other private sector organizations to promote the
 elimination of all forms of racial discrimination against indigenous
 groups.

25 Governmental Laws and Regulations

26 *Our operations, exploration and development activities are
 27 subject to the laws and regulations of Guatemala, Peru and
 28 Canada that govern various matters including environmental
 29 protection, management and use of toxic substances and
 30 explosives, management of natural resources, exploration,*

development, production, and post-closure reclamation of mines, imports and exports, price controls, taxation, mining royalties, labour standards and occupational health and safety, including mine safety and *historic and cultural preservation*.

* * *

We have competent and well-trained individuals and consultants to assist us with compliance with such laws and regulations, however, even with the application of considerable skill we may inadvertently fail to comply with certain laws. Failure to comply with laws and regulations could lead to financial restatements, fines, penalties, loss, reduction or expropriation of entitlements, the imposition of additional local, foreign or governmental parties as joint venture partners with carried or other interests and other material negative impacts on us.

Emphasis added.

32. The statements in paragraphs 25-31 above were materially false and/or misleading because they misrepresented and failed to disclose the following adverse facts pertaining to the Company's business, operations, and prospects, which were known to Defendants or recklessly disregarded by them. Specifically, Defendants failed to disclose that: (1) Tahoe's exploitation license of the Escobal mine assets was in violation of the indigenous people's rights to be consulted; (2) Tahoe was not in compliance with governmental law and regulations; and (3) as a result of the foregoing, Defendants' statements about Tahoe's business, operations, and prospects, were false and misleading and/or lacked a reasonable basis.

C. The Truth Emerges

33. On July 5, 2017, after the market close, Tahoe issued a press release, also attached as exhibit 99.1 to the Form 8-K filed with the SEC announcing the suspension of the Escobal mining license ("July 2017 Press Release"). The press release stated in pertinent part:

GUATEMALAN LOWER COURT ISSUES RULING ON TAHOE'S MINING LICENSE

1 VANCOUVER, British Columbia – July 5, 2017 – **Tahoe**
2 **Resources Inc.** (TSX: THO, NYSE: TAHO) (“Tahoe” or the
3 “Company”) today reported that the Company has learned that *the*
4 *Supreme Court of Guatemala has issued a provisional decision*
5 *in respect of an action brought by the anti-mining organization,*
6 *CALAS, against Guatemala’s Ministry of Energy and Mines*
7 *(“MEM”). The action alleges that MEM violated the Xinca*
8 *Indigenous people’s right of consultation in advance of granting*
9 *the Escobal mining license to Tahoe’s Guatemalan subsidiary,*
10 *Minera San Rafael.* The provisional decision is in respect of a
11 request by CALAS for an order to temporarily suspend the license
12 to operate the Escobal mine until the action is fully heard. The
13 Company understands that no Xinca representative or community
14 is currently participating in the CALAS lawsuit against MEM.

15 *The provisional decision suspends the Escobal mining license of*
16 *Minera San Rafael while the action is being reviewed by the*
17 *court.* The Company was not a party to the action commenced by
18 CALAS and did not previously have standing to make submissions
19 to the court in respect of the provisional application. This decision
20 confers legal standing on the Company which will now take all
21 legal steps possible to have the ruling reversed and the license
22 reinstated as soon as possible, including immediately appealing the
23 decision to the Constitutional Court.

24 The Guatemala Supreme Court is the initial trial court in
Guatemala for constitutional actions filed against MEM. Appeals
from these decisions are heard by Guatemala’s Constitutional
Court. Based on a prior ruling by the Constitutional Court
involving consultation obligations with respect to a large natural
resource project, the Company believes that its operating license
should remain in effect while any additional consultation is
completed. Accordingly, the Company intends to both appeal the
decision to the Constitutional Court and ask for the Supreme Court
to reconsider its provisional ruling.

The Company believes that all consultation obligations relating to
the permitting of the Escobal license were met. The last official
census shows the San Rafael community to be 98.6% non-
indigenous and with no Xinca community presence. Despite the
fact that the Escobal mine is not located in or impacting any
indigenous communities of Guatemala, the Company understands
that MEM held a consultation process that complied with the
requirements set forth in ILO Convention 169.

1 Based on its prior experience with Guatemalan court proceedings
2 and evaluation of similar cases before the courts, the Company
3 estimates the Constitutional Court could rule on the appeal within
two to four months. We will be seeking to have the license
reinstated during this period.

4 The Company also plans to file a motion for reconsideration with
5 the Supreme Court, which is the lower court that issued the
6 provisional decision. Based on prior cases, the Company cannot
predict when the Supreme Court would rule on the motion for
reconsideration.

7 In addition, the Company will also be requesting the Supreme
8 Court to resolve CALAS's definitive constitutional claim. The
9 definitive constitutional claim and appeal process could take
between 12 and 18 months.

10 While the Company cannot determine at this time when or if the
11 suspension will be rescinded and the license will be reinstated,
12 including for purposes of conducting a consultation process, we
13 believe ILO 169 does not apply here, and if it did apply, was
14 already met. We understand that the effect of ruling in favour of
15 CALAS could mean that consultation must occur before the
suspension is revoked. It could also mean, as happened in similar
cases in Guatemala, that the court could allow operations to
resume while a consultation process is conducted. We believe that
the timeframe to undertake the consultation processes, and for a
reconsideration of our application for the issue of the license, could
be in the range of six to 12 months.

16 Upon formal receipt of the order temporarily suspending the
17 license for Escobal, the mine will be placed on stand-by and is
18 planned to be maintained in a manner such that full production can
be expeditiously resumed on a reversal of the suspension. During
this time, the Company will continue to maintain its high standard
of security and environmental protection.

19 Ron Clayton, President and CEO of Tahoe Resources Inc.,
20 commented: "We are extremely disappointed in the Court's ruling
21 suspending the license because we believe that there are no
22 indigenous communities affected by Escobal's operations. While
23 the lack of indigenous communities in our area makes ILO 169
24 inapplicable, there is nevertheless extensive documentation
evidencing that an ILO 169 consultation process was in fact
conducted in the area of the mine. *We are acutely aware that an
adverse ruling could have a significant adverse impact on our*

1 *shareholders, partners, employees, vendors and community*
 2 *populations, as tax and royalty payments, along with purchases*
 3 *of operating supplies will be suspended during any period that*
 4 *the mine is not operating. Escobal is our flagship mine which*
 5 *has been designed and operated to meet the highest*
 6 *environmental standards and we will make every effort to remove*
 7 *any suspension and bring Escobal back into operation as soon as*
 8 *possible.* We remain committed to protecting our employees'
 9 livelihoods, as well as those livelihoods of the Company's
 10 suppliers and the thousands of Guatemalan families that benefit
 11 from the responsible operation of the Escobal mine."

12 Emphasis added.

13 34. As the truth was fully revealed to investors, the stock price declined from a close
 14 of \$8.27 per share of Tahoe stock on July 5, 2017, to a close of \$5.56 per share on July 6, 2017, *a*
 15 *drop of approximately 33%.*

16 35. On July 6, 2017, Reuters reported that the Guatemala's Supreme Court on
 17 Thursday confirmed a preliminary decision to suspend two mining licenses belonging to the
 18 local unit of Canadian miner Tahoe Resources Inc, citing violation of indigenous people's rights
 19 to be consulted.

20 **ADDITIONAL SCIENTER ALLEGATIONS**

21 36. As alleged herein, Defendants acted with scienter in that they knew that the public
 22 documents and statements issued or disseminated in the name of the Company were materially
 23 false and misleading; knew that such statements or documents would be issued or disseminated
 24 to the investing public; and knowingly and substantially participated or acquiesced in the
 issuance or dissemination of such statements or documents as primary violations of the federal
 securities laws. As set forth elsewhere herein in detail, Defendants, by virtue of their receipt of
 information reflecting the true facts regarding Tahoe, their control over, and/or receipt and/or
 modification of Tahoe's allegedly materially misleading statements and/or their associations with

1 the Company which made them privy to confidential proprietary information concerning Tahoe,
2 participated in the fraudulent scheme alleged herein.

3 **LOSS CAUSATION AND ECONOMIC LOSS**

4 37. During the Class Period, as detailed herein, Defendants engaged in a scheme to
5 deceive the market and a course of conduct that artificially inflated the Company's stock price,
6 and operated as a fraud or deceit on acquirers of the Company's common stock. As detailed
7 above, when the truth about Tahoe's misconduct and its lack of operational and financial
8 controls was revealed, the value of the Company's common stock declined precipitously as the
9 prior artificial inflation no longer propped up its stock price. The decline in Tahoe's share price
10 was a direct result of the nature and extent of Defendants' fraud finally being revealed to
11 investors and the market. The timing and magnitude of the common stock price decline negates
12 any inference that the loss suffered by Plaintiff and other members of the Class was caused by
13 changed market conditions, macroeconomic or industry factors or Company-specific facts
14 unrelated to the Defendants' fraudulent conduct. The economic loss, i.e., damages, suffered by
15 Plaintiff and other Class members was a direct result of Defendants' fraudulent scheme to
16 artificially inflate the Company's stock price and the subsequent significant decline in the value
17 of the Company's share, price when Defendants' prior misrepresentations and other fraudulent
18 conduct was revealed.

19 38. At all relevant times, Defendants' materially false and misleading statements or
20 omissions alleged herein directly or proximately caused the damages suffered by the Plaintiff
21 and other Class members. Those statements were materially false and misleading through their
22 failure to disclose a true and accurate picture of Tahoe's business, operations and financial
23 condition, as alleged herein. Throughout the Class Period, Defendants publicly issued materially
24

1 false and misleading statements and omitted material facts necessary to make Defendants'
2 statements not false or misleading, causing Tahoe's common stock to be artificially inflated.
3 Plaintiff and other Class members purchased Tahoe's common stock at those artificially inflated
4 prices, causing them to suffer the damages complained of herein.

5 **PRESUMPTION OF RELIANCE; FRAUD-ON-THE-MARKET**

6 39. At all relevant times, the market for Tahoe common stock was an efficient market
7 for the following reasons, among others:

- 8 (a) Tahoe common stock met the requirements for listing, and were listed and
9 actively traded on the NYSE, a highly efficient market;
- 10 (b) During the Class Period, Tahoe common stock were actively traded,
11 demonstrating a strong presumption of an efficient market;
- 12 (c) As a regulated issuer, Tahoe filed with the SEC periodic public reports during
13 the Class Period;
- 14 (d) Tahoe regularly communicated with public investors via established market
15 communication mechanisms;
- 16 (e) Tahoe was followed by securities analysts employed by major brokerage
17 firms who wrote reports that were distributed to the sales force and certain
18 customers of brokerage firms during the Class Period. Each of these reports
19 was publicly available and entered the public marketplace; and
- 20 (f) Unexpected material news about Tahoe was rapidly reflected in and
21 incorporated into the Company's stock price during the Class Period.

22 40. As a result of the foregoing, the market for Tahoe common stock promptly
23 digested current information regarding Tahoe from all publicly available sources and reflected
24

1 such information in Tahoe's stock price. Under these circumstances, all purchasers of Tahoe
2 common stock during the Class Period suffered similar injury through their purchase of Tahoe's
3 common stock at artificially inflated prices, and a presumption of reliance applies.

4 41. Alternatively, reliance need not be proven in this action because the action
5 involves omissions and deficient disclosures. Positive proof of reliance is not a prerequisite to
6 recovery pursuant to ruling of the United States Supreme Court in *Affiliated Ute Citizens of Utah*
7 *v. United States*, 406 U.S. 128 (1972). All that is necessary is that the facts withheld be material
8 in the sense that a reasonable investor might have considered the omitted information important
9 in deciding whether to buy or sell the subject security. Here, the facts withheld are material
10 because an investor would have considered the Company's financials and adequacy of internal
11 controls over financial reporting when deciding whether to purchase and/or sell stock in Tahoe.

12 **NO SAFE HARBOR; INAPPLICABILITY OF BESPEAKS CAUTION DOCTRINE**

13 42. The statutory safe harbor provided for forward-looking statements under certain
14 circumstances does not apply to any of the material misrepresentations and omissions alleged in
15 this Complaint.

16 43. To the extent certain of the statements alleged to be misleading or inaccurate may
17 be characterized as forward looking, they were not identified as "forward-looking statements"
18 when made and there were no meaningful cautionary statements identifying important factors
19 that could cause actual results to differ materially from those in the purportedly forward-looking
20 statements.

21 44. Defendants are also liable for any false or misleading "forward-looking
22 statements" pleaded because, at the time each "forward-looking statement" was made, the
23 speaker knew the "forward-looking statement" was false or misleading and the "forward-looking
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1 statement” was authorized and/or approved by an executive officer of Tahoe who knew that the
2 “forward-looking statement” was false. Alternatively, none of the historic or present-tense
3 statements made by the defendants were assumptions underlying or relating to any plan,
4 projection, or statement of future economic performance, as they were not stated to be such
5 assumptions underlying or relating to any projection or statement of future economic
6 performance when made, nor were any of the projections or forecasts made by the defendants
7 expressly related to or stated to be dependent on those historic or present-tense statements when
8 made

9 **CLASS ACTION ALLEGATIONS**

10 45. Plaintiff brings this action on behalf of all individuals and entities who purchased
11 or otherwise acquired Tahoe common stock on the public market during the Class Period, and
12 were damaged, excluding the Company, the defendants and each of their immediate family
13 members, legal representatives, heirs, successors or assigns, and any entity in which any of the
14 defendants have or had a controlling interest (the “Class”).

15 46. The members of the Class are so numerous that joinder of all members is
16 impracticable. Throughout the Class Period, Tahoe securities were actively traded on the NYSE.
17 While the exact number of Class members is unknown to Plaintiff at this time and can be
18 ascertained only through appropriate discovery, Plaintiff believes that there are hundreds or
19 thousands of members in the proposed Class. Record owners and other members of the Class
20 may be identified from records maintained by Tahoe or its transfer agent and may be notified of
21 the pendency of this action by mail, using the form of notice similar to that customarily used in
22 securities class actions. As of December 31, 2016, Tahoe had more than 311 million outstanding
23 shares of common stock. Upon information and belief, these shares are held by thousands if not
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1 millions of individuals located geographically throughout the country and possibly the world.
2 Joinder would be highly impracticable.

3 47. Plaintiff's claims are typical of the claims of the members of the Class as all
4 members of the Class are similarly affected by the defendants' respective wrongful conduct in
5 violation of the federal laws complained of herein.

6 48. Plaintiff has and will continue to fairly and adequately protect the interests of the
7 members of the Class and have retained counsel competent and experienced in class and
8 securities litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

9 49. Common questions of law and fact exist as to all members of the Class and
10 predominate over any questions solely affecting individual members of the Class. Among the
11 questions of law and fact common to the Class are:

12 (a) whether the federal securities laws were violated by the defendants'
13 respective acts as alleged herein;

14 (b) whether the defendants acted knowingly or with deliberate recklessness in
15 issuing false and misleading financial statements;

16 (c) whether the price of Tahoe securities during the Class Period was
17 artificially inflated because of the defendants' conduct complained of herein; and

18 (d) whether the members of the Class have sustained damages and, if so, what
19 is the proper measure of damages.

20 50. A class action is superior to all other available methods for the fair and efficient
21 adjudication of this controversy since joinder of all members is impracticable. Furthermore, as
22 the damages suffered by individual Class members may be relatively small, the expense and
23 burden of individual litigation make it impossible for members of the Class to individually
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1 redress the wrongs done to them. There will be no difficulty in the management of this action as
2 a class action.

3 **COUNT I**

4 **Violation of Section 10(b) and Rule 10b-5 Against All Defendants**

5 51. Plaintiff repeats and realleges each and every allegation contained above as if
6 fully set forth herein.

7 52. During the Class Period, Defendants carried out a plan, scheme and course of
8 conduct which was intended to and, throughout the Class Period, did: (1) deceive the investing
9 public, including Plaintiff and other Class members, as alleged herein; and (2) cause Plaintiff and
10 other members of the Class to purchase Tahoe common stock at artificially inflated prices. In
11 furtherance of this unlawful scheme, plan and course of conduct, each of the Defendants took the
12 actions set forth herein.

13 53. Defendants: (a) employed devices, schemes, and artifices to defraud; (b) made
14 untrue statements of material fact and/or omitted to state material facts necessary to make the
15 statements not misleading; and (c) engaged in acts, practices, and a course of business that
16 operated as a fraud and deceit upon the purchasers of the Company's common stock in an effort
17 to maintain artificially high market prices for Tahoe securities in violation of Section 10(b) of the
18 Exchange Act and Rule 10b-5 promulgated thereunder. All Defendants are sued either as
19 primary participants in the wrongful and illegal conduct charged herein or as controlling persons
20 as alleged below.

21 54. Defendants, individually and in concert, directly and indirectly, by the use, means
22 or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a
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1 continuous course of conduct to conceal adverse material information about the business,
2 operations and future prospects of Tahoe as specified herein.

3 55. These Defendants employed devices, schemes, and artifices to defraud while in
4 possession of material adverse non-public information, and engaged in acts, practices, and a
5 course of conduct as alleged herein in an effort to assure investors of Tahoe's value and
6 performance and continued substantial growth, which included the making of, or participation in
7 the making of, untrue statements of material facts and omitting to state material facts necessary
8 in order to make the statements made about Tahoe and its business operations and future
9 prospects in the light of the circumstances under which they were made, not misleading, as set
10 forth more particularly herein, and engaged in transactions, practices and a course of business
11 that operated as a fraud and deceit upon the purchasers of Tahoe common stock during the Class
12 Period.

13 56. Individual Defendants' primary liability, and controlling person liability, arises
14 from the following facts: (1) Individual Defendants were high-level executives, directors, and/or
15 agents at the Company during the Class Period and members of the Company's management
16 team or had control thereof; (2) each Individual Defendant, by virtue of his responsibilities and
17 activities as a senior officer and/or director of the Company, was privy to and participated in the
18 creation, development and reporting of the Company's financial condition; (3) each Individual
19 Defendant enjoyed significant personal contact and familiarity with the other Individual
20 Defendant and was advised of and had access to other members of the Company's management
21 team, internal reports and other data and information about the Company's finances, operations,
22 and sales at all relevant times; and (4) each Individual Defendant was aware of the Company's
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1 dissemination of information to the investing public which they knew or recklessly disregarded
2 was materially false and misleading.

3 57. Defendants had actual knowledge of the misrepresentations and omissions of
4 material facts set forth herein, or acted with reckless disregard for the truth in that they failed to
5 ascertain and to disclose such facts, even though such facts were available to them. Such
6 Defendants' material misrepresentations and/or omissions were done knowingly or recklessly
7 and for the purpose and effect of concealing Tahoe's operating condition and future business
8 prospects from the investing public and supporting the artificially inflated price of its securities.
9 As demonstrated by Defendants' overstatements and misstatements of the Company's financial
10 condition throughout the Class Period, Defendants, if they did not have actual knowledge of the
11 misrepresentations and omissions alleged, were reckless in failing to obtain such knowledge by
12 deliberately refraining from taking those steps necessary to discover whether those statements
13 were false or misleading.

14 58. As a result of the dissemination of the materially false and misleading information
15 and failure to disclose material facts, as set forth above, the market price of Tahoe's securities
16 was artificially inflated during the Class Period. In ignorance of the fact that market prices of
17 Tahoe's publicly-traded securities were artificially inflated, and relying directly or indirectly on
18 the false and misleading statements made by Defendants, or upon the integrity of the market in
19 which the common stock trades, and/or on the absence of material adverse information that was
20 known to or recklessly disregarded by Defendants but not disclosed in public statements by
21 Defendants during the Class Period, Plaintiff and the other members of the Class acquired
22 Tahoe' common stock during the Class Period at artificially high prices and were or will be
23 damaged thereby.

1 the power to influence and control, and did influence and control, directly or indirectly, the
2 decision-making of the Company, including the content and dissemination of the various
3 statements that Plaintiff contends are false and misleading. The Individual Defendants provided
4 with or had unlimited access to copies of the Company's reports, press releases, public filings
5 and other statements alleged by Plaintiff to have been misleading prior to and/or shortly after
6 these statements were issued and had the ability to prevent the issuance of the statements or to
7 cause the statements to be corrected.

8 65. In particular, each of these Defendants had direct and supervisory involvement in
9 the day-to-day operations of the Company and, therefore, is presumed to have had the power to
10 control or influence the particular transactions giving rise to the securities violations as alleged
11 herein, and exercised the same.

12 66. As set forth above, Tahoe, the Individual Defendants each violated Section 10(b),
13 and Rule 10b-5 promulgated thereunder, by their acts and omissions as alleged in this Complaint.

14 67. By virtue of their positions as controlling persons, the Individual Defendants are
15 liable pursuant to Section 20(a) of the Exchange Act. As a direct and proximate result of
16 Defendants' wrongful conduct, Plaintiff and other members of the Class suffered damages in
17 connection with their purchases of the Company's common stock during the Class Period.

18 68. This action was filed within two years of discovery of the fraud and within five
19 years of each Plaintiff's purchases of common stock giving rise to the cause of action.

20 **PRAYER FOR RELIEF**

21 WHEREFORE, Plaintiff prays for relief and judgment as follows:

- 22 (a) Determining that this action is a proper class action, certifying Plaintiff as
23 class representative under Federal Rule of Civil Procedure 23 and
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Plaintiff's counsel as class counsel;

- (b) Awarding compensatory damages in favor of Plaintiff and the other members of the Class against all Defendants, jointly and severally, for all damages sustained as a result of the defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;
- (c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees;
- (d) Granting extraordinary equitable and/or injunctive relief as permitted by law; and
- (e) Such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a jury trial.

Dated this 7th day of July 2017.

/s/ Sean P. Connell
Sean P. Connell, Esq.
Nevada Bar Number 7311
Muehlbauer Law Office, Ltd.
7915 West Sahara Ave., Suite 104
Las Vegas, Nevada 89117
Tel.: 702.330.4505
Fax: 702.825.0141
sean@mlollegal.com

***Attorneys for Plaintiff and Proposed Liaison
Counsel for the Proposed Class***

-and-

Nicholas Porritt, Esq. (*pro hac to be submitted*)
Adam Apton, Esq. (*pro hac to be submitted*)
LEVI & KORSINSKY LLP
1101 30th Street NW, Suite 115
Washington, D.C. 20007

Telephone: (202) 524-4290
nporritt@zlk.com
aapton@zlk.com

*Attorneys for Plaintiff and Proposed Lead Counsel
for the Proposed Class*